Moving forward

Michael Diekmann
Chief Executive Officer

BoA Merrill Lynch Banking and
Insurance CEO Conference
London, September 2013

Agenda

1 Allianz at a glance

2 Key topics

2.1 Interest rates

2.2 Capital

2.3 Growth

3 Outlook

Allianz at a glance

EUR **106bn** total revenues[1]

EUR **1,863bn** total AuM[2]

EUR **9.3bn** operating profit[1]

206% economic solvency ratio[2]

177% regulatory solvency ratio[2,3]

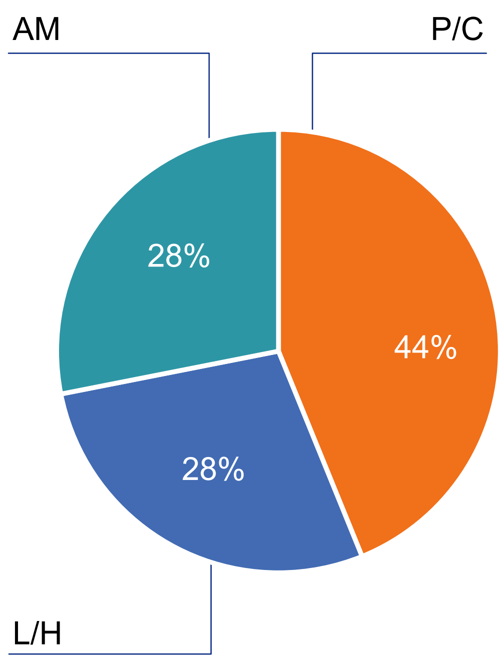
EUR **47.9bn** S/H equity[2]

EUR **49.4bn** market cap[4]

About **78mn** (direct) and **250mn** (indirect) customers[1]

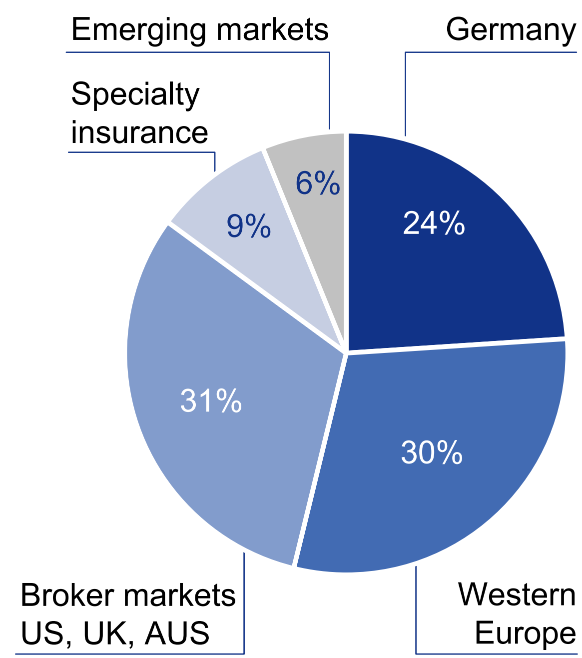
Segments[1,5]

Operating profit in %



Regions[1,5]

Operating profit in %



1) 2012, operating profit adjusted for reclassification of restructuring expenses and IAS19
2) 06/2013
3) Off-balance sheet reserves are accepted as eligible capital only upon request; Allianz SE has not submitted an application so far. Excluding off-balance sheet reserves, the solvency ratio would be 168 %
4) 08/2013
5) Relation of business segments excluding Corporate & Other and consolidation

Allianz

Strong market positions and brands[1]

- Leading P/C insurer globally
- Top 5 Life insurer globally
- Top 5 asset manager globally
- Largest global assistance provider
- Worldwide leader in credit insurance
- One of the leading industrial insurers globally
- Building the leading global automotive provider

Allianz

Allianz Global Investors

PIMCO

Allianz Global Assistance

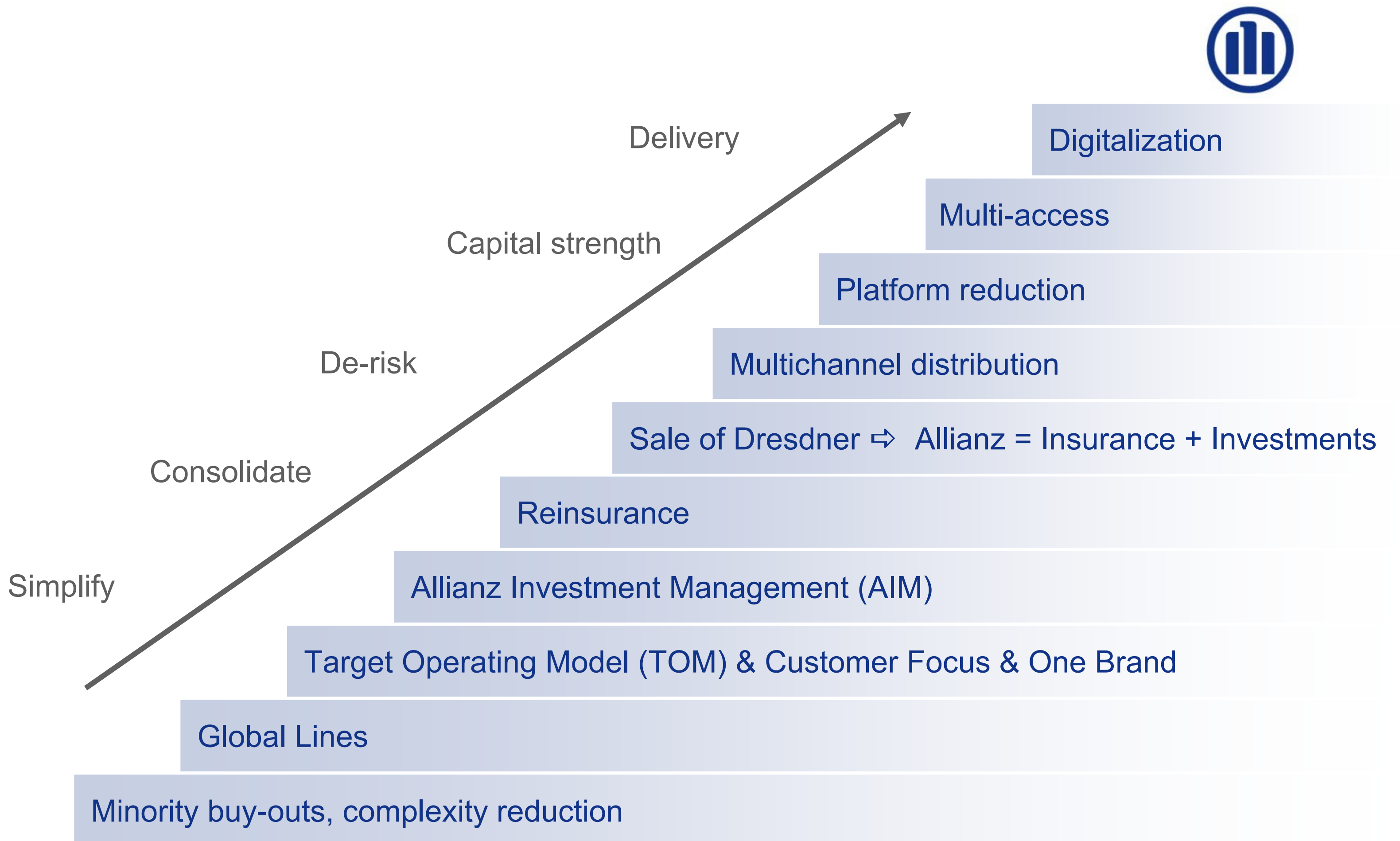
EULER HERMES

Allianz Global Corporate & Specialty

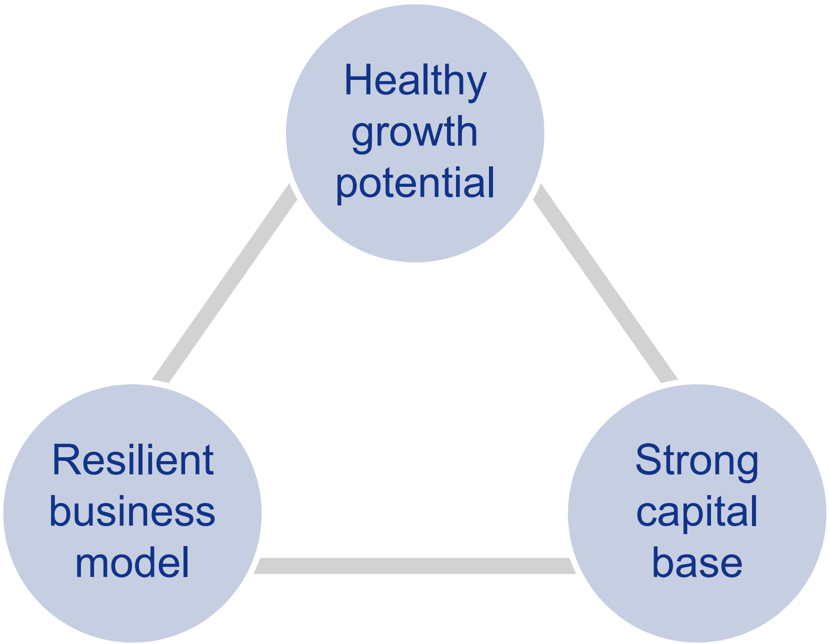
Unlimited access to business opportunities

1) All rankings based on 2012 data

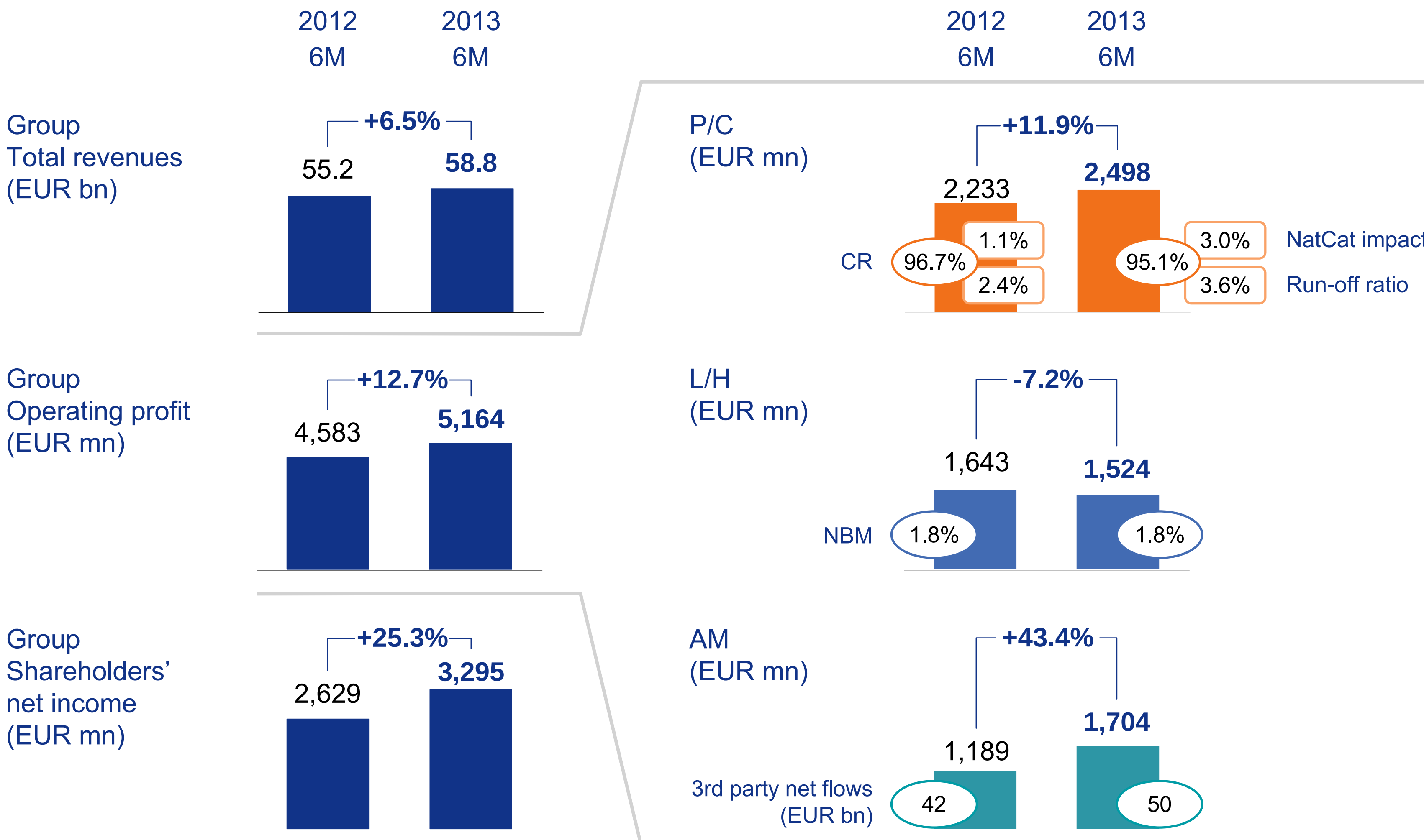
For the last 10 years we have been strengthening …



… our ability to deliver even in a challenging environment



First half 2013 – a good start into the year



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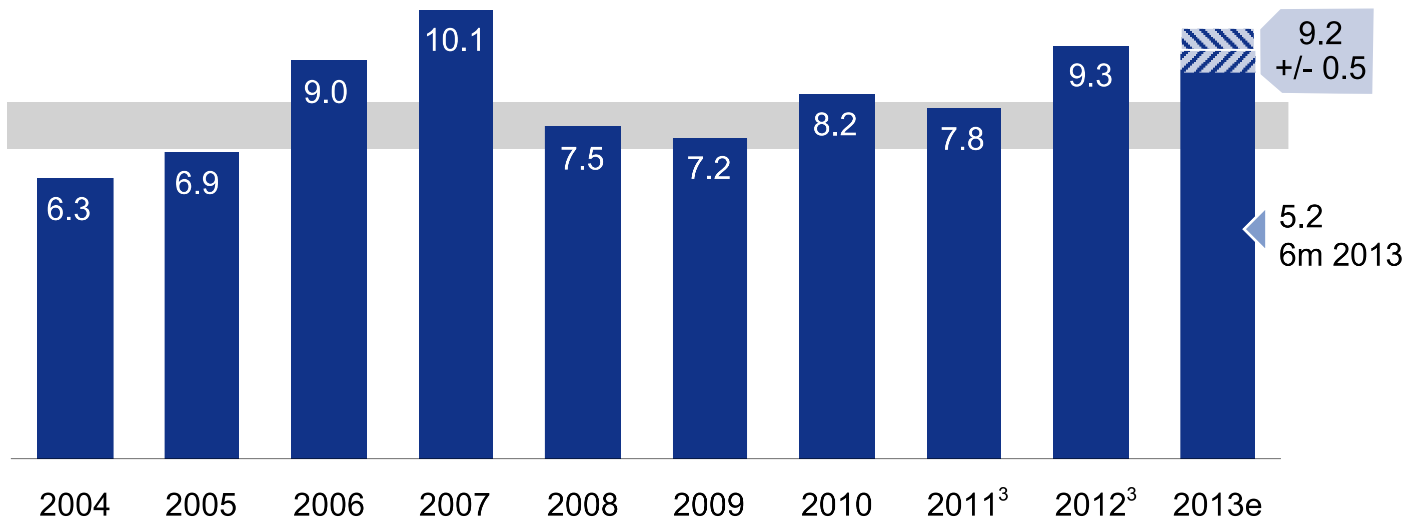
Diversification reduces interest rate sensitivity

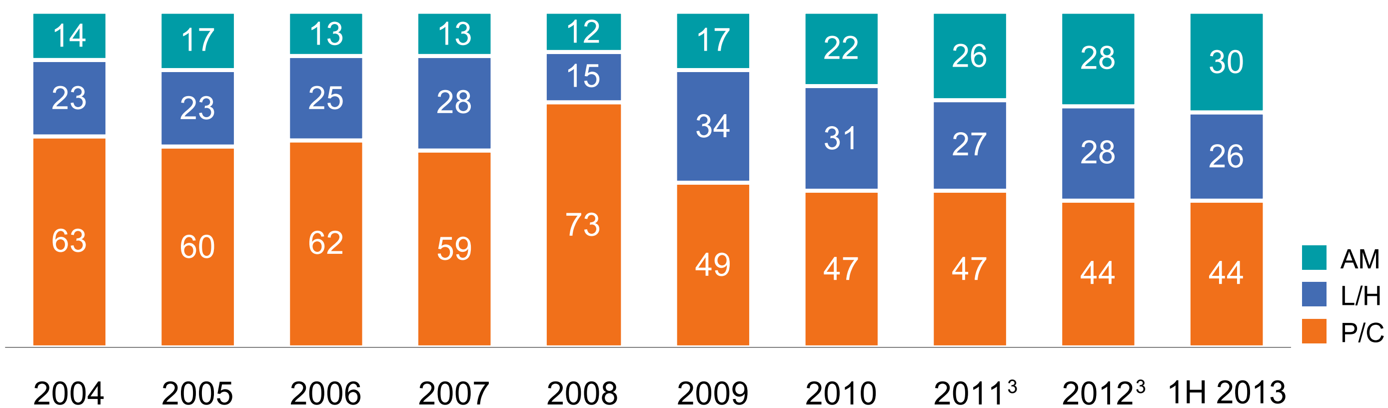
Stable operating profit in a volatile environment …

Operating profit (EUR bn)[1]



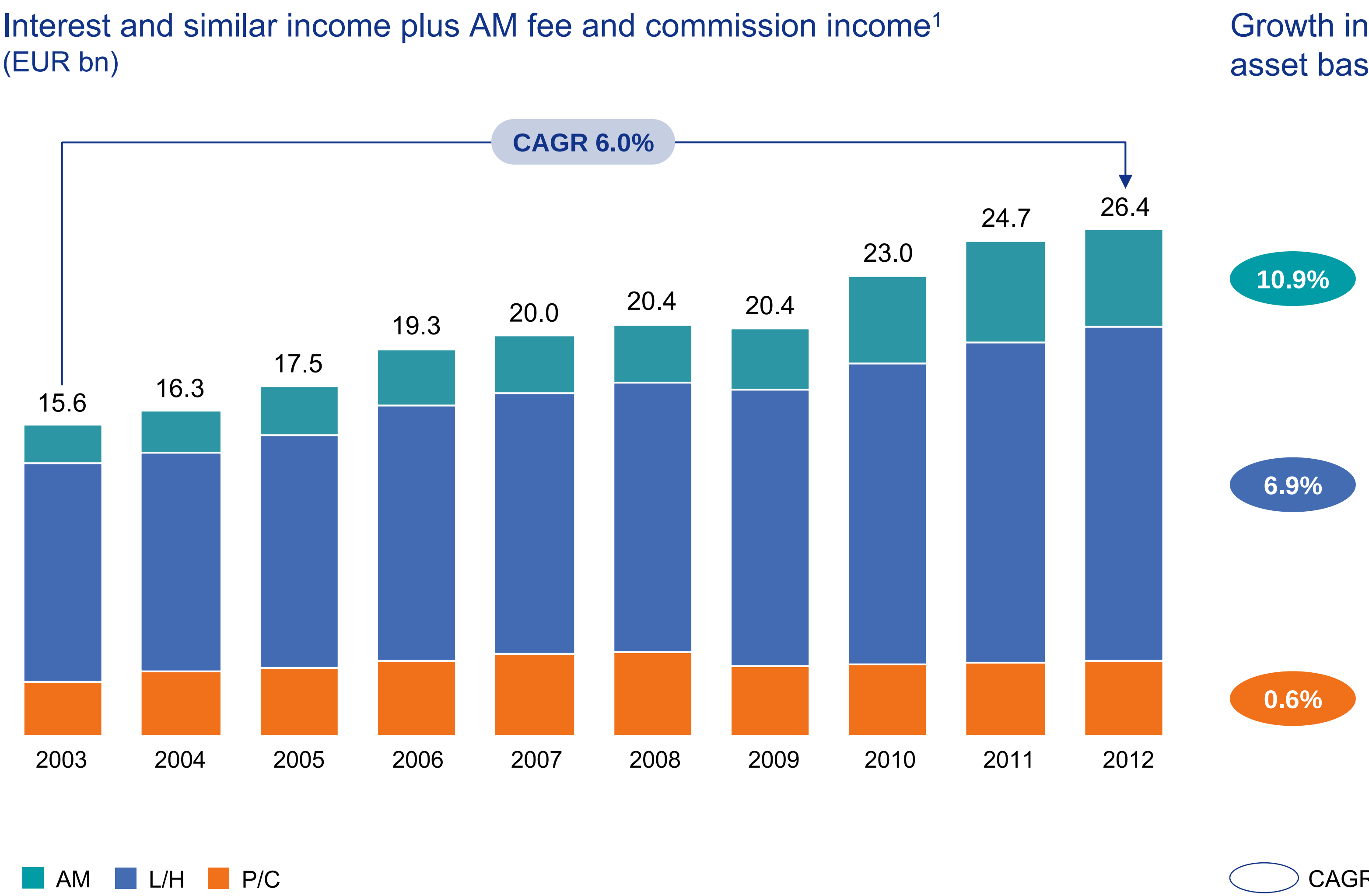
… thanks to diversification

Operating profit by business segment (%)[2]



1) Historically reported figures excluding Banking segment
2) Based on historically reported figures excluding Corporate & Other, Banking and Consolidation
3) 2011 and 2012 including adjustments for restructuring charges and IAS 19 restatement

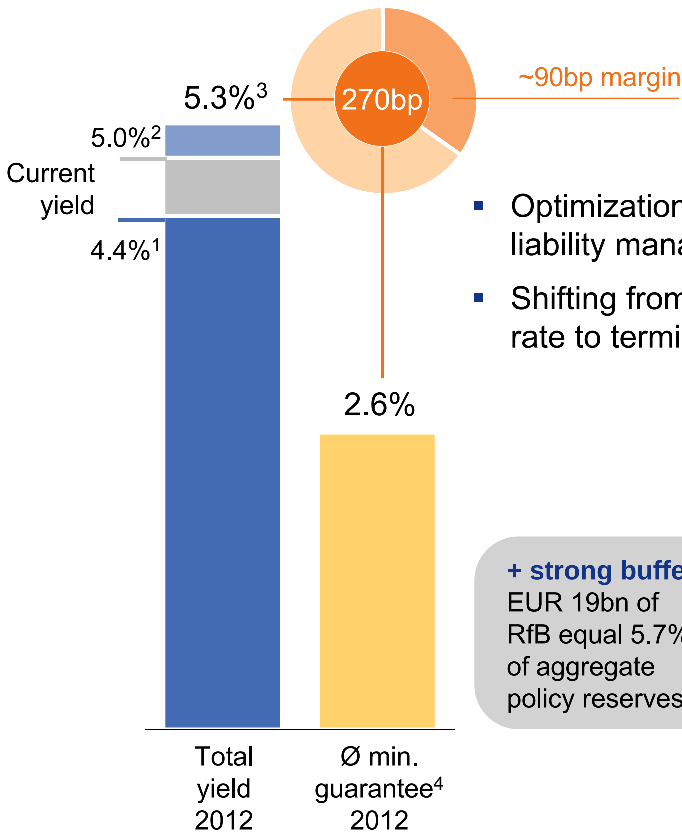
Lower yields mitigated by growing asset base, …



1) AM: excluding performance fees; L/H: before policyholder participation

… strong buffers and resilient margins in L/H

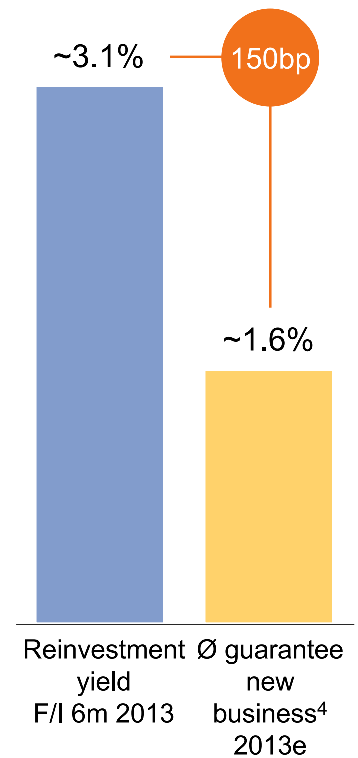
Business in force



- Optimization of asset-liability management
- Shifting from crediting rate to terminal bonus

+ strong buffer
EUR 19bn of RfB equal 5.7% of aggregate policy reserves

New business

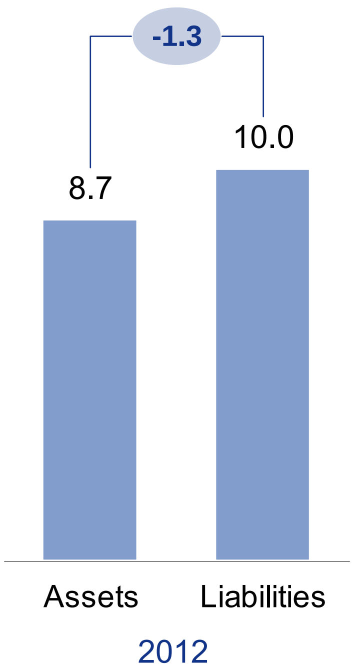


- Improvement of technical margin
- Fostering of protection business
- Shifting of product mix towards unit-linked business

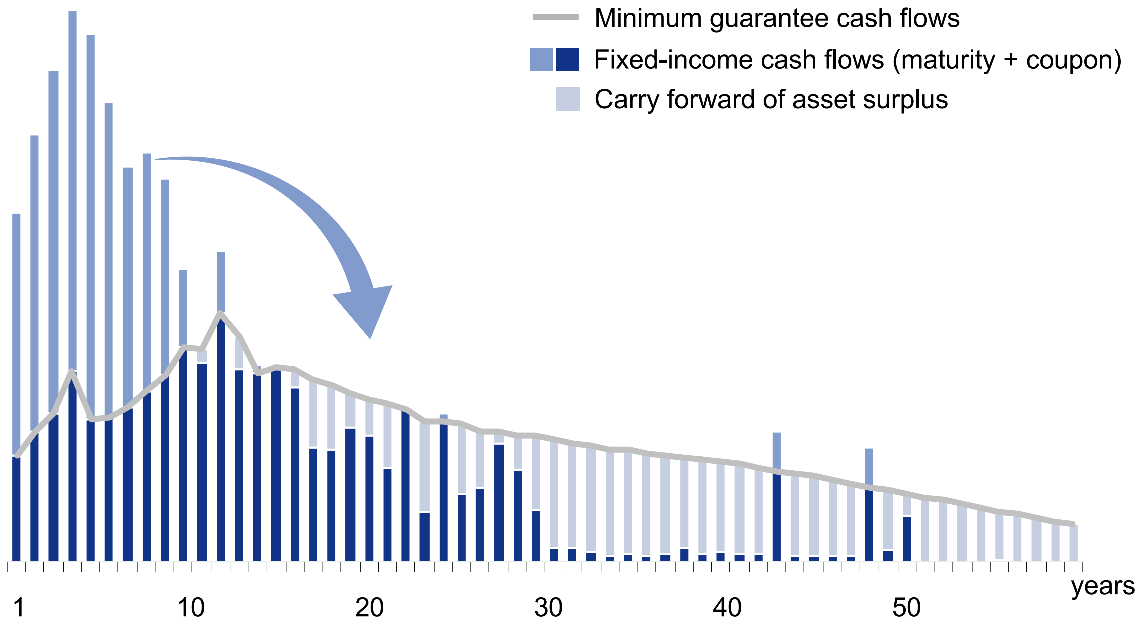
1) IFRS current interest and similar income (net of interest expenses) relative to average asset base (IFRS) which excludes unit-linked, FVO and trading
2) IFRS current interest and similar income (net of interest expenses) relative to average aggregate policy reserves
3) IFRS current interest and similar income (net of interest expenses) + net harvesting and other (operating) relative to average aggregate policy reserves
4) Weighted by aggregate policy reserves

Example Allianz Leben Germany

Duration



Fixed income and minimum guarantee cash flows



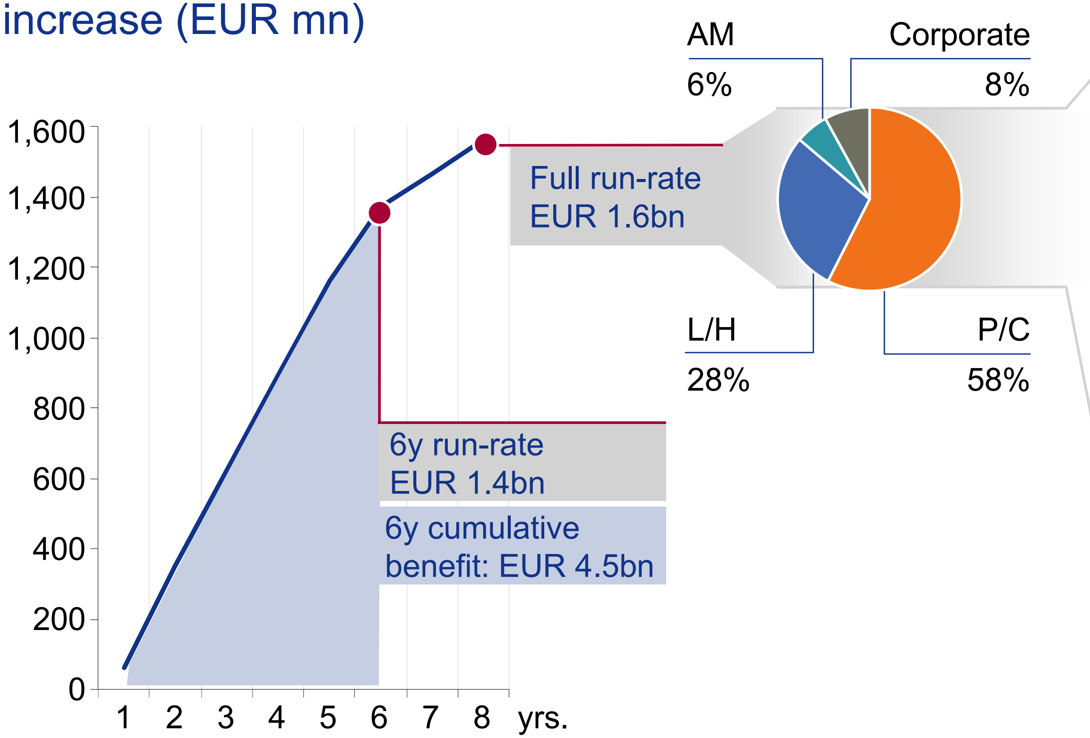
Limited interest rate sensitivity of economic balance sheet

Cash flows from existing fixed income investments allow full coverage of liability cash flows for comfortable period of time

Allianz

Higher yields with positive net impact on operating profit

Operating profit after 100bps interest rate increase (EUR mn)



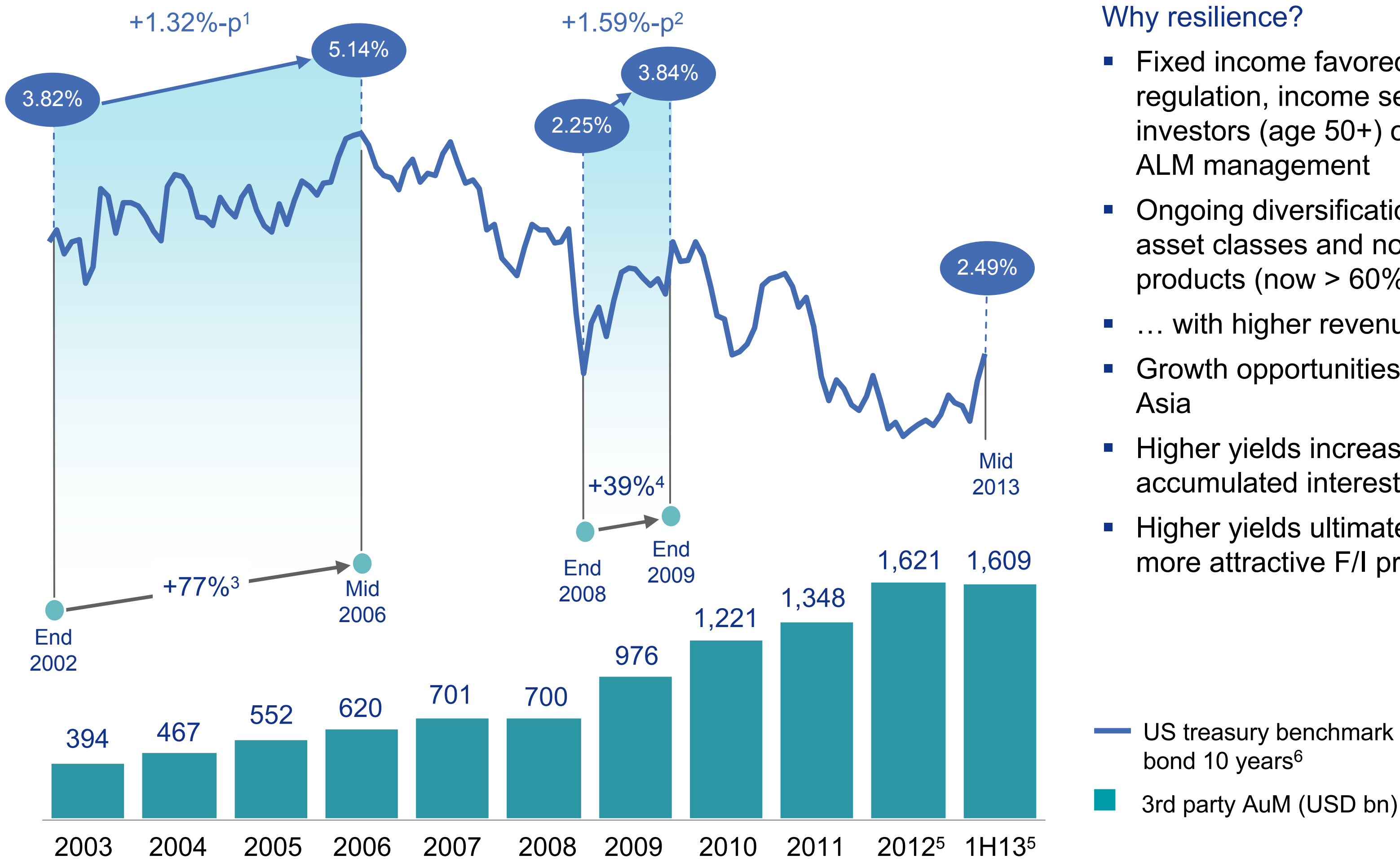
- P/C: Immediate substantial positive impact due to relatively short duration
- L/H: Positive effect of higher interest income mitigated by possible ZZR unwind
- AM: Higher yields offset lower asset levels
- Corporate: Negative impact of higher coupons and interest costs offset by higher interest income and lower pension costs

Disclaimer:

- Simplified assumptions
  - No impact on operational business
  - Unchanged risk appetite reg. reinvestments
  - L/H excl. impact on derivatives / DAC and trading liabilities (one-off)
  - Positive effects on MCEV / NBM excluded

Allianz

PIMCO AuM grew even in times of increasing interest rates



Why resilience?

- Fixed income favored by regulation, income seeking investors (age 50+) or funds and ALM management
- Ongoing diversification into other asset classes and non-traditional products (now > 60%) …
- … with higher revenue margins
- Growth opportunities in Europe / Asia
- Higher yields increase accumulated interest income
- Higher yields ultimately lead to more attractive F/I product

1) 30.06.06 compared with 31.12.02
2) 31.12.09 compared with 31.12.08
3) AuM: USD 569bn as of 30.06.06 compared with 322bn as of 31.12.02
4) AuM: USD 976bn as of 31.12.09 compared with 700bn as of 31.12.08
5) New organizational setup
6) Source: Thomson Reuters, Bloomberg

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Uncertain regulatory requirements …

Solvency II

- Implementation date
- Treatment of long-term guarantees
- Equivalence
- Volatility adjustment

Systemicness

- Capital, disclosure and other potential regulatory requirements
- Interaction with Solvency II

Allianz

Accounting

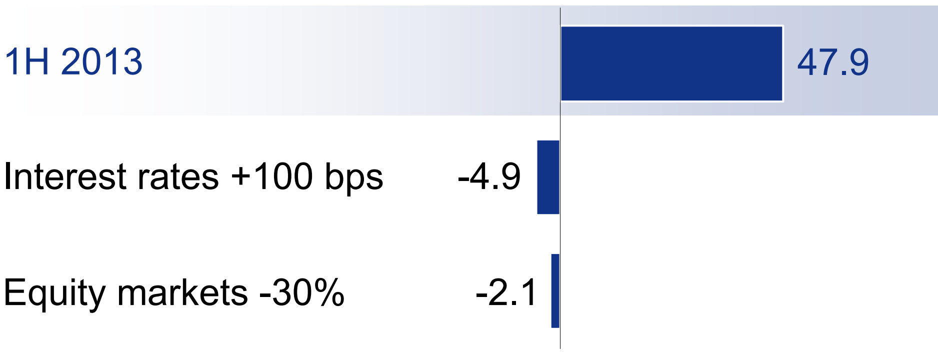
- IFRS 4 Phase II
- Valuation of liabilities at current fulfillment value

Product regulation

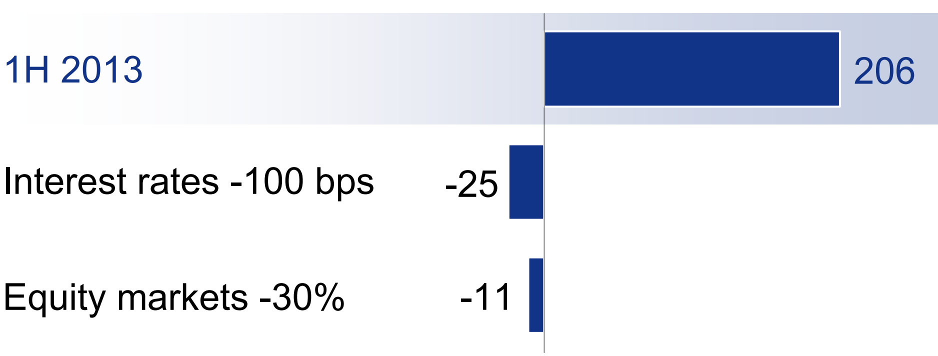
- MIFID II
- IMD II
- PRIPs

… require strong and resilient capital base

Shareholders' equity (EUR bn)



Economic solvency (%)



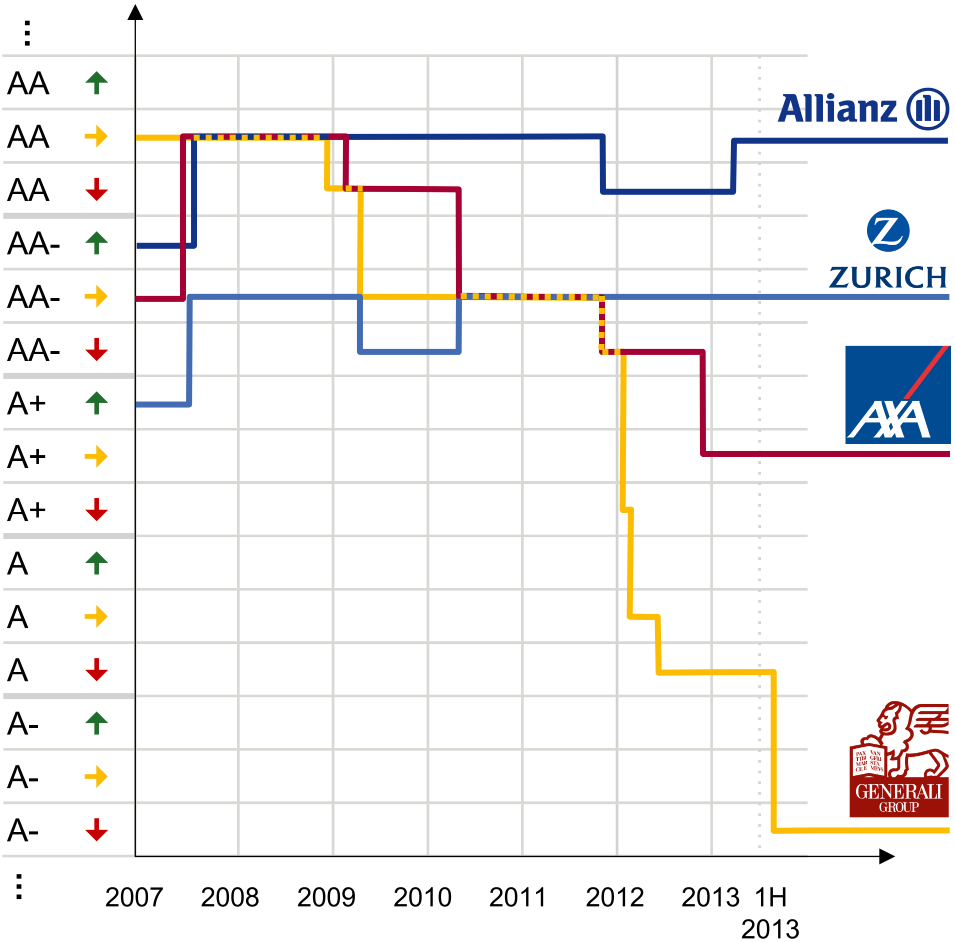
STANDARD & POOR'S

AA (stable outlook)

Allianz

Strong capitalization and risk management pay off

S&P financial strength rating / outlook[1]



1) Insurer Financial Strength Ratings of holding companies or operating entities; positive/stable/negative outlooks indicated by green/yellow/red arrows; “credit watch” categorized in the same way as “outlook”

2) Axa, Zurich: “strong”, Generali “adequate”

S&P enterprise risk management (ERM)

- “Very strong”
- Highest possible rating, best in class[2]

- Recognition of internal capital model by S&P

- Higher S&P capital surplus
- Lower cost of capital
- Funding costs reduced versus peers

Derisking Life – product innovation

New traditional

Germany

„Perspektive“ (July 2013)

- Total premium refund guarantee at maturity
- Yearly increase of maturity benefit
- Annuitization of maturity benefit only at rates at time of annuitization
- Significantly reduced interest rate risk

NBM ~2%

Hybrid products

Switzerland

“Balance Invest” (2012)

- Customer can choose between guarantee level of 85-105%
- Upside linked to market performance of underlying funds
- Risk riders included as standard components
- 34%[1] share in Individual Life new business (6% share in total Life)

NBM 4.7%[1]

Unit-linked products

Italy

“Progetto Reddito” (2013)

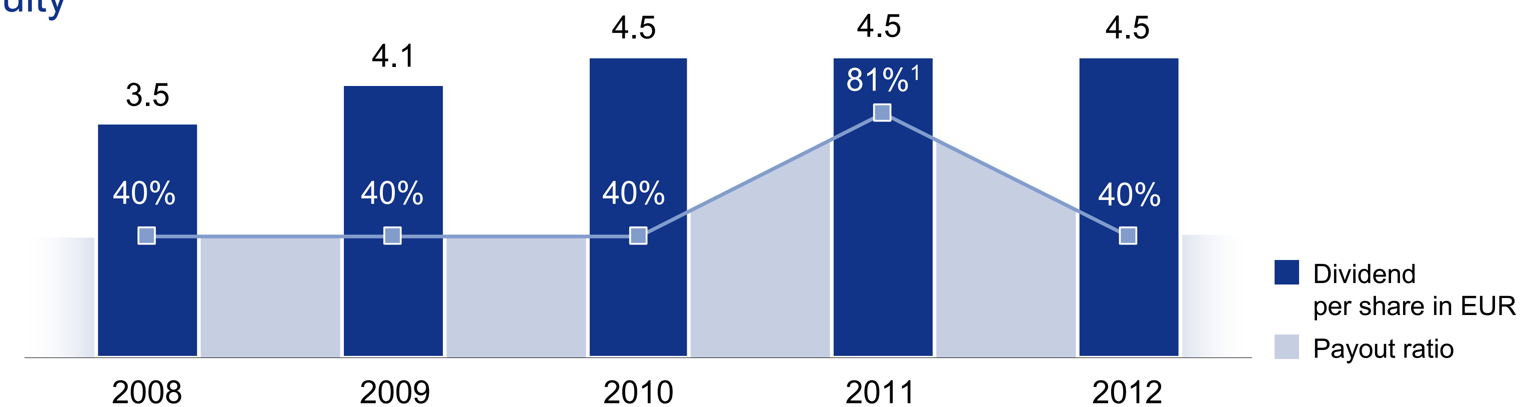
- Unit linked decumulation product
- Mandatory withdrawals of min. 1% each quarter
- Tax advantage: capital gains tax will not arise until the paid-in capital is completely used up
- Share of unit-linked products in Italy 71%[1] (GPW)

NBM 2.2%[1]

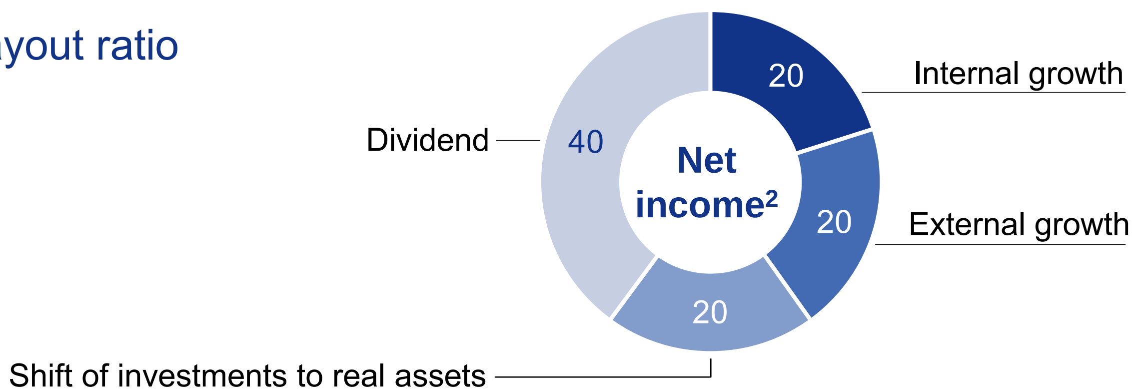
1) 6m 2013

Transparent dividend policy

1 Continuity



2 Payout ratio



Dividend growth to be achieved through increase of net income

1) High ratio to compensate for non-operating impairments
2) Net income attributable to shareholders

Disciplined acquisition strategy

2011

- Strengthening of strategic partnership with Banco Popular by bundling of existing joint ventures

2012

- Acquisition of Gan Eurocourtage brokerage business
- Acquisition of insurance activities from Mensura
- Signing of 10-year excl. life insurance distribution agreement with HSBC in Asia

2013

- Signing of 10-year life insurance distribution agreement with HSBC in continental Europe
- Acquisition of Yapı Kredi Sigorta, Turkey plus 15-year excl. bank distribution agreement

Focus on smart transactions in regions with strong presence and on distribution capacity in growth regions

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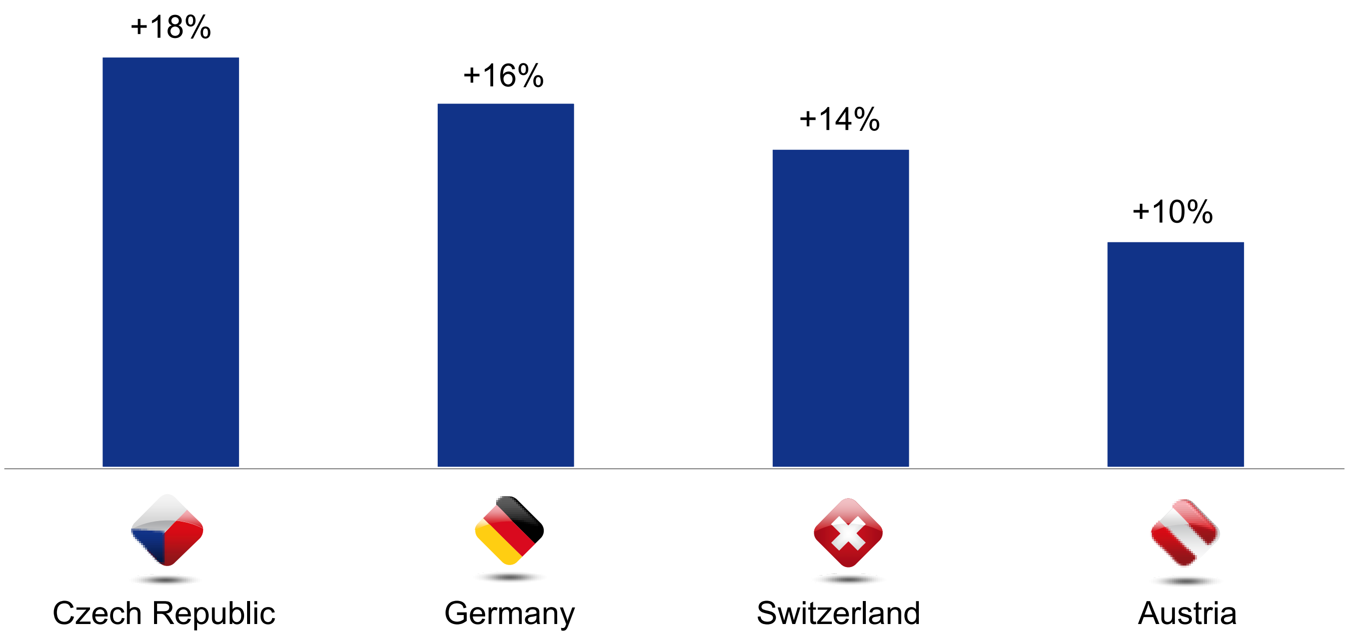
Profitable growth via enhanced distribution

- “Agency Future Program” (AFP) to increase sales productivity
- Joint effort between distribution, market management and operations to support agents along the value chain
- Implementation ongoing

New model agency productivity versus old model (Jan – July 2013)

(Change of new business volume in %[1])



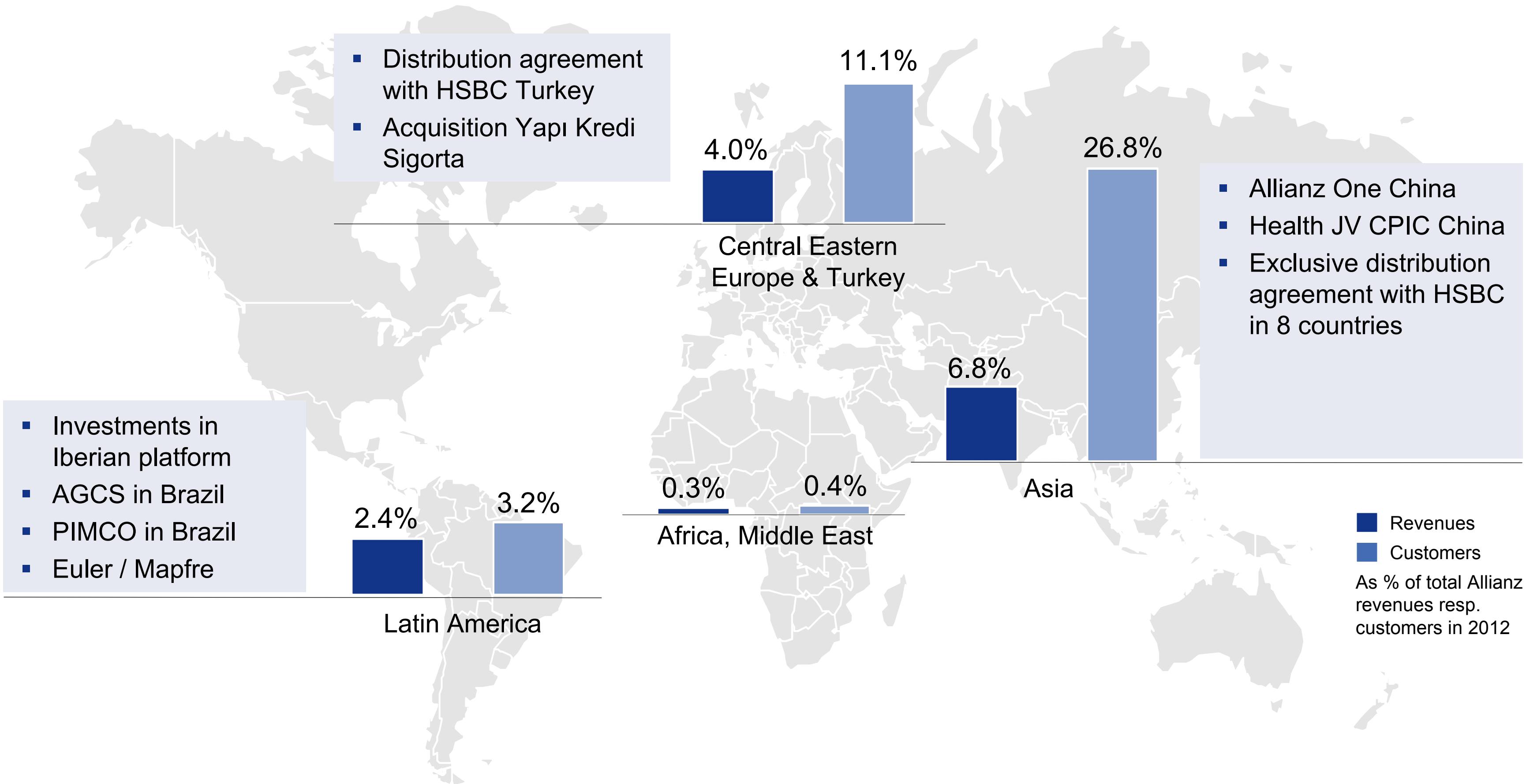
1) Productivity change based on changes of new retail business. New business P/C = GPW of new business; new business Life = weighted premium sum of new business; new business Health = monthly premiums of new business. Values compare productivity of new model agencies vs old model. Values for Germany based on new agencies Pro3 package 2 versus new agencies non-Pro3.

Growth markets – we keep investing[1]

- Distribution agreement with HSBC Turkey
- Acquisition Yapı Kredi Sigorta

- Allianz One China
- Health JV CPIC China
- Exclusive distribution agreement with HSBC in 8 countries

- Investments in Iberian platform
- AGCS in Brazil
- PIMCO in Brazil
- Euler / Mapfre



Plus Global Lines with special focus on growth markets

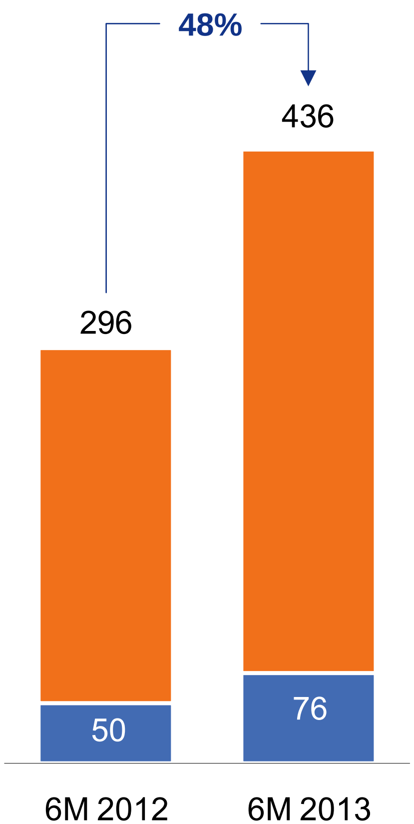
1) Customer figures including non-consolidated entities. Revenues Asia including figures of non-consolidated operating entities in India. Data exclude specialty insurers AGCS, Euler Hermes, Allianz Global Assistance and ART

Allianz

Turkey – an epitome of selective external growth

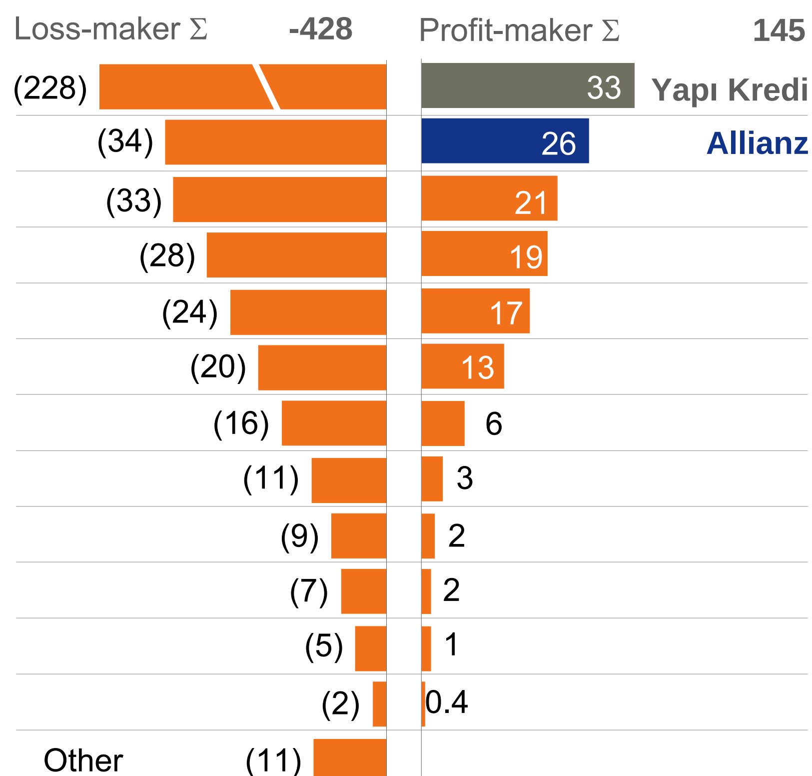
Impressive organic growth

GPW (EUR mn)



Many players with unsustainable losses

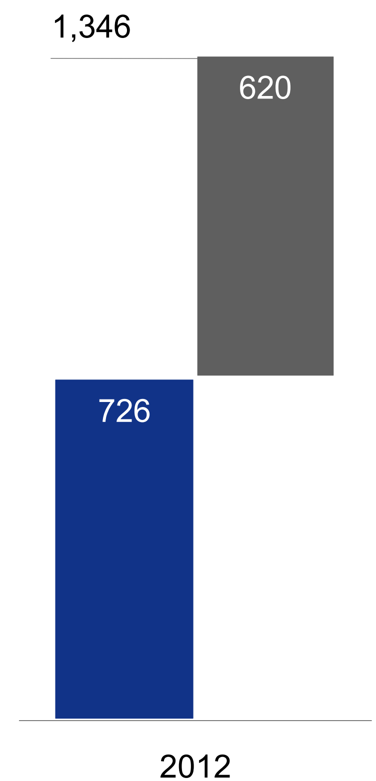
Net income non-life market 2012, local[1,2] (EUR mn)



1) Source: annual reports and Insurance Association of Turkey; including dividends from subsidiaries (local GAAP figures)
2) Local GAAP figures
Note: average F/X rate 2012 EUR/TL 2.325

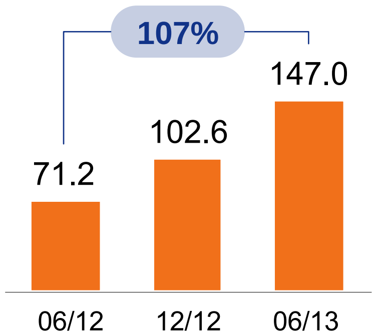
Yapı Kredi almost doubles our presence

GPW (EUR mn)

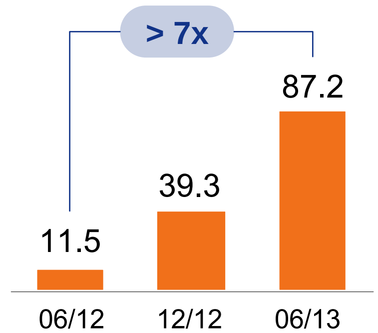


Technology: Telematics, Fastquote, Direct, Fusion

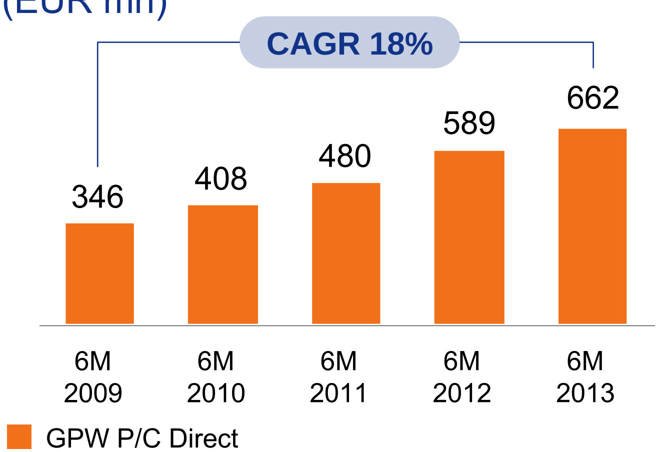
In-force portfolio Telematics Italy
(on-board units retail, in thousands, cumulative)



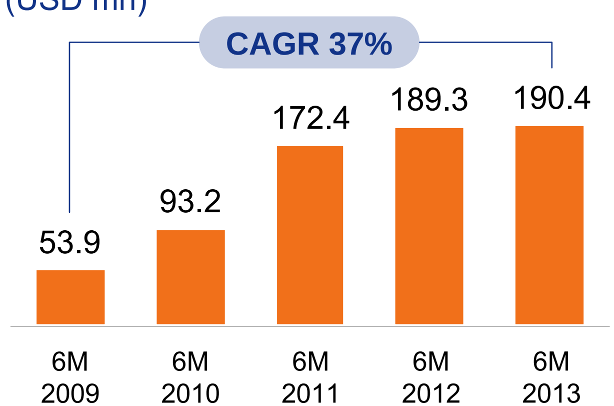
In-force Fastquote policies Italy
(in thousands, cumulative)



Direct volume has almost doubled
(EUR mn)



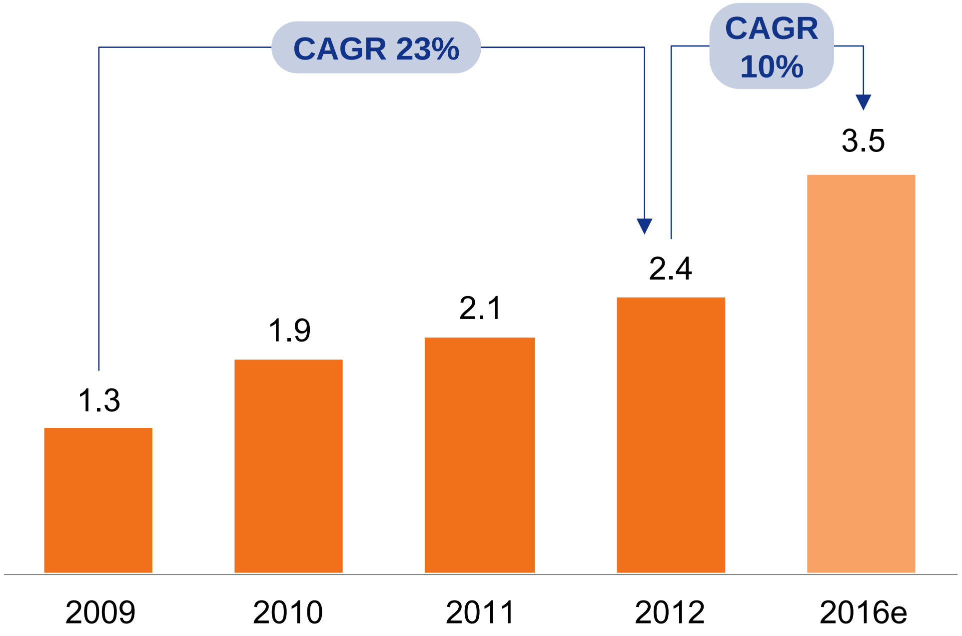
Premium processed via Fusion platform
(USD mn)



Allianz

Global Automotive is a real growth driver

GPW trend Global Automotive (in EUR bn)



- Global Automotive bundles the B2B2C automotive business within Allianz on a global scale
- Allianz is uniquely positioned among its peers with partnerships in Europe, Asia and South America
- Agreements with more than 45 brands in more than 30 countries

➡ **Double-digit top-line growth is expected to continue resulting in EUR 3.5bn GPW by 2016e**

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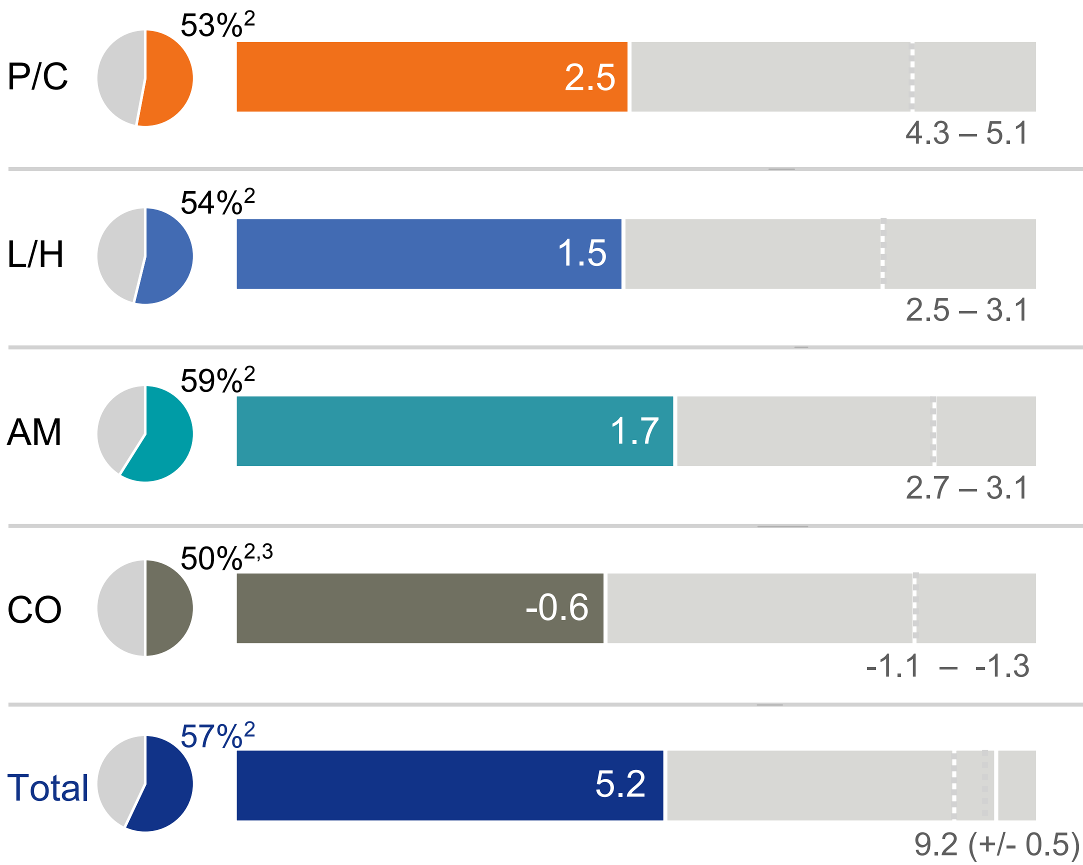
Upper end of target range in reach

Operating profit (EUR bn)

6M 2013 | Outlook[1] published 02/13 | 6M 2013



P/C:
- GPW growth 1.7%
- CR 95.1%

L/H:
- Revenue growth 9.0%
- NBM 1.8%

AM:
- Net inflows of EUR 50bn
- CIR 54.3%

CO:
- In line with target

Total:
- Please mind the seasonality of the business and our disclaimer[4]!

1) For FY 2013
2) As % of target range mid-point
3) Corporate and consolidation
4) Disclaimer: impact from NatCat, financial markets and global economic development not predictable!

To sum it up

1. Strong market positions and brands
2. Resilient and well diversified business model
3. Natural hedge against interest rate changes
4. Strong capital position
5. Attractive dividend yield
6. Healthy growth potential

Disclaimer

These assessments are, as always, subject to the disclaimer provided below.

Forward-looking statements

The statements contained herein may include prospects, statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those expressed or implied in such forward-looking statements.

Such deviations may arise due to, without limitation, (i) changes of the general economic conditions and competitive situation, particularly in the Allianz Group's core business and core markets, (ii) performance of financial markets (particularly market volatility, liquidity and credit events) (iii) frequency and severity of insured loss events, including from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions, including related integration issues, and reorganization measures, and (xi) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

No duty to update

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Investor Relations contacts

Oliver Schmidt Head of Investor Relations	☎ +49 89 3800-3963 E-mail: oliver.schmidt@allianz.com	**Peter Hardy**	☎ +49 89 3800-18180 E-mail: peter.hardy@allianz.com
Christian Lamprecht	☎ +49 89 3800-3892 E-mail: christian.lamprecht@allianz.com	**Reinhard Lahusen**	☎ +49 89 3800-17224 E-mail: reinhard.lahusen@allianz.com
Stephanie Aldag IR Events	☎ +49 89 3800-17975 E-mail: stephanie.aldag@allianz.com		
Investor Relations	🖷 +49 89 3800-3899 E-mail: investor.relations@allianz.com	**Internet**	English: www.allianz.com/investor-relations German: www.allianz.com/ir